

RESOLUTION NO. 97-135

A RESOLUTION OF THE LODI CITY COUNCIL SETTING FEES FOR
CHECKS RETURNED FOR NON-SUFFICIENT FUNDS, ACCOUNT
CLOSED AND REFERRED TO MAKER

WHEREAS, Section 1719 of the Civil Code provides that damages equal to treble the amount of a insufficient funds check could be enforced under specific circumstances; and

WHEREAS, returned checks made payable to the City of Lodi have increased over 100% in a nine (9) year period; and

WHEREAS, delinquent customers submitting checks drawn with non-sufficient funds average 51% of the total checks returned; and

WHEREAS, an analysis of cost incurred by office staff in an attempt to collect exceed \$25.00 for each check, and the total cost at over \$100.00 if field personnel are necessary to force collection; and

WHEREAS, on September 27, 1996, Governor Wilson signed into law AB 2643, effective January 1, 1997, which provides that a check-writer of the dishonored check shall be liable to the "payee" (person named on the check) for a service charge in an amount not to exceed \$25.00 for the first check dishonored, and an amount not to exceed \$35.00 for each subsequent checks dishonored.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby sets the fee for a check returned for non-sufficient funds, account closed, and referred to maker at \$10.00 for the first check dishonored and \$25.00 for each subsequent check dishonored.

BE IT FURTHER RESOLVED by the Lodi City Council that this Resolution become effective immediately.

Dated: September 3, 1997

I hereby certify that Resolution No. 97-135 was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 3, 1997, by the following vote:

Ayes: Council Members – Land, Mann, Sieglock, Warner and Pennino (Mayor)

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – None



ALICE M. REIMCHE
City Clerk